



OPASTCO

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February 21, 2003

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, SW
Washington, DC 20554

***Ex Parte* Notice**

**RE: Federal-State Joint Board on Universal Service
CC Docket No. 96-45**

**Appropriate Framework for Broadband Access to the Internet over Wireline
Facilities
CC Docket No. 02-33**

Universal Service Obligations of Broadband Providers

**Computer III Further Remand Proceedings: Bell Operating Company
Provision of Enhanced Services; 1998 Biennial Regulatory Review – Review
of Computer III and ONA Safeguards and Requirements
CC Docket Nos. 95-20, 98-10**

Dear Ms. Dortch,

On Friday, February 21, 2003, John Rose and Stuart Polikoff of the Organization for the Promotion and Advancement of Small Telecommunications Companies (OPASTCO), Herbert Bivens of United Telephone Co, Chapel Hill, TN, and Arturo Macias of Wheat State Telephone Co., Udall, KS, met with Commissioner Michael Copps and Jordan Goldstein. In that meeting we discussed the importance of sufficient universal service funding for rural telephone companies and their customers. High-cost funding allows

rural telephone companies to recover their investments in network infrastructure and provide affordable, high-quality service to their customers. In that regard, we discussed issues surrounding the designation of additional eligible telecommunications carriers in rural service areas that are raised in OPASTCO's white paper Universal Service in Rural America: A Congressional Mandate at Risk. That paper and a related PowerPoint presentation were distributed and are attached.

We also discussed the proposed reclassification of wireline broadband Internet access service. While OPASTCO has not taken a position on whether or not wireline broadband Internet access service should be reclassified as an information service, we suggested that the Commission seriously consider and account for the impacts that reclassification may have on rural incumbent local exchange carriers (ILECs) and their customers. For many rural ILECs, the deployment of wireline broadband Internet access service would not be viable without pooling. The risk sharing and cost recovery attributes of pools are vital to many rural ILECs' ability to provide affordable wireline broadband Internet access. If digital subscriber line (DSL)-based services were excluded from the pooling process, many rural consumers of advanced wireline services would experience excessive rate increases, while rural ILECs would be unable to recover the considerable costs of deployment. This would hinder the deployment of wireline broadband Internet access in many rural areas, contrary to the Commission's goals.

In accordance with FCC rules, this letter is being filed electronically in the above-captioned dockets.

Sincerely,

Stuart Polikoff
Director of Government Relations
OPASTCO

Attachments